THE WHITE HOUSE

WASHINGTON

September 22, 2020

The Honorable Raul M. Grijalva Chairman Committee on Natural Resources United States House of Representatives Washington, D.C. 20515

Dear Chairman Grijalva:

I am writing in response to your August 31, 2020, letter regarding the President's Task Force on Puerto Rico's Status (Task Force). The Task Force submitted required reports and recommendations to Presidents Bush and Obama in 2005, 2007 and 2011. As you know, the recurring report requirement set forth in Section 4 of Executive Order (EO) 13183 was amended in EO 13517 to an "as appropriate" requirement. Accordingly, no further reports have been submitted since 2011, and no new Task Force members have been named.

Following the devastation wrought by Hurricanes Irma and Maria, President Trump has focused on supporting the recovery and development of Puerto Rico. Just last week, on Friday, September 18, 2020, the Trump Administration announced that the Federal Emergency Management Agency (FEMA) is awarding nearly \$13 billion to repair and replace thousands of miles of transmission and distribution lines, electrical substations, and power generation systems, and to repair and renovate schools. The Federal share for these energy and education projects is approximately \$11.6 billion. For decades, Puerto Rico's leaders neglected and undermined critical infrastructure, the standard of living for the Puerto Rican people, and the health of the Puerto Rico economy. FEMA, together with Puerto Rico's Central Office of Recovery, Reconstruction, and Resiliency (COR3), will continue working on long-term recovery plans for Puerto Rico's electrical grid (PREPA) and Education Department (PRDE).

These awards build on the Trump Administration's ongoing commitment to help Puerto Ricans as they recover from a devastating series of disasters, including hurricanes, earthquakes, and the COVID-19 pandemic. As you may recall, the relief and response efforts for Hurricanes Irma and Maria were the largest in scale and longest in duration in United States history. Following the 2017 hurricanes, the Trump Administration approved Community Disaster Loans to help Puerto Rico municipalities. FEMA and COR3 are now focusing on permanent work projects and have dramatically improved the pace of project approvals and transparency of their shared processes.² Together with the grant awards announced on September 18, FEMA will have obligated approximately \$29 billion for Puerto Rico's Maria recovery. FEMA has already disbursed nearly \$14 billion, including for response and individual assistance.³

¹ "Section 4 is amended by deleting the first sentence and inserting in lieu thereof the following: The Task Force shall submit to the President a report on the actions it has taken to perform the functions set forth in section 3 no later than 1 year from the date of this order. The Task Force shall also report to the President, as appropriate, on other matters relating to the Task Force's responsibilities under this order."

² Governor Wanda Vàzquez Garced's letter to Congress dated 3 August 2020 and accompanying report.

³ www.recovery.pr accessed 9/18/2020. To put these Federal investments in context, Puerto Rico's annual general fund budget is approximately \$10 billion.

In January 2020, as a cluster of earthquakes struck southern Puerto Rico, President Trump approved Governor Wanda Vázquez Garced's request for a major disaster declaration and the release of additional Federal funds for response and recovery from the earthquakes. President Trump also appointed Coast Guard Rear Admiral Peter Brown to serve, full-time, as his Special Representative for Puerto Rico's Disaster Recovery to coordinate Federal Government efforts and drive effective relationships between the Federal Government and the Government of Puerto Rico.⁴ As a member of the Intergovernmental Affairs team, Rear Admiral Brown has direct access to the relevant Federal departments and agencies that execute "policies and initiatives that promote job creation, education, health care, clean energy, and economic development on the islands (of Puerto Rico)." His leadership shows unprecedented prioritization of the Puerto Rico relationship to aid recovery efforts. Along with Rear Admiral Brown, I also stay actively involved in Puerto Rico recovery work.

In addition, the Trump Administration has also helped Puerto Rico leverage Opportunity Zones, a new tool made possible by the Tax Cuts and Jobs Act of 2017. Nearly all of Puerto Rico is eligible for Opportunity Zone investments to spur growth and rejuvenation in distressed communities.

The global COVID-19 pandemic has impacted Puerto Rico just as it has the rest of the Nation and the world. Cruise and airline travel to Puerto Rico has been substantially curtailed, with devastating consequences to Puerto Rico's tourism and other economic sectors. The Trump Administration has provided substantial emergency response support, including funding, distribution of personal protective equipment ("PPE") and testing supplies, and has worked diligently to ensure that CARES Act relief funding was promptly disbursed. The Federal Government has also worked to deliver other key resources to Puerto Rico to defeat the virus, including: \$1.8 billion in Small Business Administration loans to 39,544 Puerto Rico small businesses and \$2.2 billion from the CARES Act's Coronavirus Relief Fund, just to name a few. More recently, the Trump Administration has worked with Puerto Rico to implement FEMA's Lost Wages Program to support hardworking Puerto Ricans who were negatively impacted by COVID-19.

The pandemic has revealed the United States' over-reliance on foreign source of pharmaceuticals, medical devices, and PPE. The Trump Administration has taken significant steps to re-shore medical production back to the United States, including Puerto Rico. President Trump has employed the Defense Production Act and authorized the United States International Development Finance Corporation ("DFC") to make loans to create, maintain, protect, expand, and restore the domestic industrial base capabilities, including supply chains within the United States and its territories, needed to respond to the COVID-19 outbreak. Federal officials will continue to work with Puerto Rican officials to help grow the Puerto Rico economy and help secure the Nation's medical supply chain. The Department of Defense Joint Acquisition Task Force, in conjunction with the Department of Health and Human Services, also recently awarded a contract, valued at up to \$10 million, to Copan Industries Inc. to establish production capacity of flock tip swabs in Puerto Rico, ultimately increasing their production capacity to 14.4 million swabs per month by February 2021 in support of domestic testing.⁵

⁴ https://www.whitehouse.gov/briefings-statements/statement-press-secretary-111/

⁵ https://www.defense.gov/Newsroom/Releases/Release/Article/2334407/dod-awards-10-million-undefinitized-contract-action-to-copan-industries-inc-to/

These examples of robust, coordinated, interagency response for the people of Puerto Rico tangibly demonstrate the commitment of President Trump and his Administration to the recovery and resiliency of Puerto Rico.

Please let me know if you have any questions or would like to discuss this matter further.

Sincerely,

Douglas L. Hoelscher

Assistant to the President &

Director of Intergovernmental Affairs

Cc: The Honorable Robert Bishop, Ranking Member

The Honorable Amy Swonger, Assistant to the President & Director, Legislative Affairs